146 FERC ¶ 61,173 FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

March 12, 2014

In Reply Refer To:
US Airways, Inc.
v. Colonial Pipeline Company
Docket No. OR14-17-000

Steven H. Brose Steptoe & Johnson LLP 1330 Connecticut Avenue, NW Washington, DC 20036-1795

Richard E. Powers, Jr. Venable LLP 575 7th Street, NW Washington, DC 20004-1601

Dear Counsel:

- 1. On December 31, 2013, and as corrected on January 2, 2014, Colonial Pipeline Company (Colonial) and US Airways, Inc. (US Airways) (collectively the Parties) filed a Settlement in the referenced proceeding for approval pursuant to Rule 602. The Settlement also includes as Appendix B, a Conditional Notice of Withdrawal of Complaint pursuant to Rule 216² and section 1802(d)(2) of the Energy Policy Act of 1992.
- 2. The Settlement resolves the complaint in the captioned proceeding regarding the rates, practices, and charges on Colonial's system. The primary features of the Settlement Agreement are (1) continuation of certain incentive rates for the transportation of aviation kerosene and jet fuel for a prescribed period; (2) resolution of certain operational issues concerning movements of petroleum products on Colonial's system;

¹ 18 C.F.R. § 385.602 (2013).

² 18 C.F.R. § 385.216 (2013).

³ Energy Policy Act of 1992, Pub. L. 102-486 § 1802(d)(2), 106 Stat. 2776, 3010 (1992), *reprinted in* 42 U.S.C. § 7172 notes.

and (3) stipulation as to the payments to be made to US Airways in settlement of its complaint. Section III.C.1 provides that for any modifications to the Settlement by the Commission acting *sua sponte*, or by the Parties acting unanimously, the standard of review will be the ordinary just and reasonable standard. The standard of review for any modification of the Settlement by one or more but less than all the Parties will be the most stringent standard permissible under applicable law.

3. The Commission finds that the Settlement appears to be fair, reasonable, and in the public interest, and it is hereby approved without modification. The Commission grants the Conditional Notice of Withdrawal of Complaint in Attachment B to the Settlement subject to the Settlement's becoming effective under its terms, and the Commission's receipt of written certification from Colonial and US Airways that Colonial has made the payments required by section III.D.1 of the Settlement and has filed and placed in effect the tariffs and rates identified in section III.D.2 of the Settlement. Commission approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

By direction of the Commission.

Nathaniel J. Davis, Sr., Deputy Secretary.